INCOMING AIRGRAM **Department of State**

ACTION COPY

DECLASSIFIED

B 0 0 0 2 3

35-S
Action

CONFIDENTIAL
Classification

PAGE 1 OF 2 PAGES

Date Sent: June 30, 1959
Rec'd:

AF
Info

FROM: AMEMBASSY, ACCRA

TO: Secretary of State

NO: G-62

DEPARTMENT OF STATE A/CDC/MR
REVIEWED BY [signature] DATE 14 MAY 1982
JUL 2 9 59
FDS☐or YDS☐EXT. DATE
TS AUTH. REASON(S)
ENDOSE EXISTING MARKINGS
DECLASSIFIED☐ RELEASABLE☐
RELEASE DENIED☐
PA or FOI EXEMPTIONS

SS
SP
C
L
IO
INR
H
UOP
UMSC
E
UCEA
IRC
DCL

ICA
OCB
CIA

RMR

Embtel 664.

Chad F. CALHOUN, Vice President of Kaiser Industries Corporation, has just spent several days in Ghana discussing the Volta River Project with the Prime Minister and other officials of the Ghana Government. He arrived on June 22 and departed June 28.

CALHOUN called at the Embassy several times and kept me informed fully on his conversations here. In addition, JACKSON of the Development Commission called at the Embassy June 27 to tell me of the conversations. What CALHOUN said and what JACKSON said agreed entirely, as follows:

It is now recognized by Prime Minister NKRUMAH, Minister of Finance GBEDEMAH, and Minister of Economic Affairs BOTSIO that the Government of Ghana may not just sit back and wait for the United States Government to work up and come forward with a plan to finance the Volta River Project. They now appreciate the fact that the Government of Ghana must work up a proposal to put before the Government of the United States in the form of an application for DLF assistance. Towards this end, the Government of Ghana is commissioning the firm of Cooper Brothers (chartered accountants with headquarters in London) to get together all the data needed to support a business-like application for DLF help. Cooper Brothers has done some other work of a similar kind for the Government of Ghana and has the confidence of the Government of Ghana. JACKSON of the Development Commission and CALHOUN of Kaiser Industries Corporation will meet in London on July 15 to get Cooper Brothers started on the work.

The Government of Ghana has also decided to ask Mr. George WOOD of the First Boston Corporation, New York, to act as an adviser to review the work of Cooper Brothers and otherwise assist in making sure that a business-like application is made to DLF.

It is expected that Cooper Brothers will complete their work and that Mr. WOOD will review it by September, 1959. Mr. GBEDEMAH, the Minister of Finance, will be in Washington in September to attend a meeting of the International Monetary Fund, and it is hoped that an application to DLF can be made at that time.

CONFIDENTIAL
Classification

DECLASSIFIED

REPRODUCTION FROM THIS COPY IS PROHIBITED UNLESS "UNCLASSIFIED"

PERMANENT
RECORD COPY • This copy must be returned to RM/R central files with notation of action taken.

Route RM/R Central Files
845J 2614/6-3059
FILED
1959
EMW

CONFIDENTIAL

Embassy comment: The Government of Ghana has been much encouraged by recent evidence that world aluminum companies expect a heavy increase in demand for aluminum during the next five years. The Government of Ghana remains determined to bring the Volta River Project to life and seems confident that it will receive financial assistance from the United States Government on what the Government of Ghana regards as an economic and desirable project.

I myself feel, as I have always felt, that the United States Government can face the Government of Ghana in regard to the Volta River Project without any fear of damage to United States relations with Ghana: that if the Volta River Project is uneconomic and private enterprise is unwilling to risk some of its own capital, the United States Government can simply tell the Government of Ghana that it should forget the Volta River Project and turn its attention to other development projects; that if the Volta River Project is economic as evidenced by the willingness of private enterprise to invest some of its own funds, then the United States Government would be justified in granting DLF assistance for the public sector (hydroelectric plant) to furnish power to a smelter to be financed and operated by private enterprise.

FLAKE

WBF

DECLASSIFIED